Polskie Stowarzyszenie Ekonomicznej Analizy Prawa

VIII Cykl Seminariów PSEAP
Spotkanie nr 6/2014/2015
18.03.2015

FINANCIAL REGULATIONS AND THE DIVERSIFICATION OF FUNDING SOURCES IN HIGHER EDUCATION INSTITUTIONS: SELECTED EUROPEAN EXPERIENCES
(REGULACJE FINANSOWE A DYWERSYFIKACJA ŹRÓDEŁ FINANSOWANIA UCZELNI WYŻSZYCH: WYBRANE DOŚWIADCZENIA EUROPEJSKIE)

Janusz KUDŁA
(Uniwersytet Warszawski)

Streszczenie

The aim of this paper is to assess the impact of selected financial regulations on the share of private financing in higher education institutions (HEIs). The regulations increasing the stability of financing should be preferred by countries reducing the stable part of budgetary funds because their use can mitigate lower amount of available public funds and increase the private-source-financing at the expense of public-source financing. When universities have the right to utilize their property and freely dispose their assets, we can expect lower diversification and more public-origin financing. The predictions are based on the model tightly related to the portfolio theory of Markowitz, where risk-averse management of HEIs minimizes the variance of the amount of available funds. These hypotheses are verified econometrically on data from 17 EU countries - members of OECD. The analysis covers the generalized linear model which explains the impact of selected financial regulations on the private financing of tertiary level education. The components of financial regulations are distinguished upon the investigation of primary legislation acts. Precisely, on the basis of the legal comparative study, we identify four financial regulations whose prevalence can spur the diversification of universities' financing and indirectly improve their financial stability. The estimation results suggest that three components are significant and explain the share of private funding in higher education sector. It should be stressed that two of them positively affect the share of non-public financing, and one is positive but slightly insignificant.